



THE HON PAUL FLETCHER MP
Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

14 May 2020

Landmark telecommunications reforms pass the Senate

Legislation requiring all Australians to have access to broadband services from a ‘statutory infrastructure provider’ and requiring all larger fixed line broadband network operators serving metropolitan Australia to contribute to the cost of broadband in regional and remote Australia have passed the Senate.

Minister for Communications, Cyber Safety and the Arts, Paul Fletcher MP, said the reforms will strengthen access to broadband services, especially for those living in regional, rural and remote areas, while promoting competition.

The legislation sets out statutory infrastructure provider arrangements so that all premises across Australia have access to the National Broadband Network (NBN) or a comparable broadband network, with NBN Co designated as the default broadband provider.

The baseline peak speed to be supplied is 25 Megabits per second download and 5 Megabits per second upload. The obligations apply to NBN Co and other network providers in comparable circumstances – for example, where they provide networks in new developments.

“These reforms are significant progress towards implementing the Government’s new Universal Service Guarantee (USG), which will provide homes and businesses across Australia access to a broadband service with a peak speed of at least 25 Mbps regardless of where they are located,” Minister Fletcher said.

The new legislation also provides exemptions to strict carrier separation rules so telecommunications companies can operate wholesale and retail businesses at arm’s length from one another, subject to approval by the Australian Competition and Consumer Commission (ACCC). The legislation will also provide telecommunications companies serving small businesses and running small networks with more flexibility, improving choice and competition.

“These changes to carrier separation rules will allow telcos to benefit from the economies of scale that come from being in both retail and wholesale in order to support competition, increase choice for consumers and provide investment certainty for network builders,” said Minister Fletcher.

The Regional Broadband Scheme, introduced as part of the reforms, will establish a transparent, ongoing and sustainable funding mechanism to fund NBN Co’s loss-making fixed wireless and satellite services that mainly serve regional, rural and remote areas.

“Once operational, the Regional Broadband Scheme will require both NBN Co and operators of comparable fixed-line networks to contribute to funding for essential regional broadband services on NBN Co’s fixed wireless and satellite networks,” said Minister Fletcher.

Funding regional broadband from a broader base including all fixed line carriers is more equitable and efficient, and will remove pressure on NBN Co to increase prices for NBN subscribers.

“In turn, regional Australians can have confidence that their essential broadband services will be available into the future.”

“The Government is committed to delivering fast broadband across Australia so everyone can enjoy the benefits of high-quality broadband no matter where they live or work.”

The comprehensive reform package is the result of extensive policy development and public consultation.

More information is available at: www.communications.gov.au/trp

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